



smartPayables

IPD Group Case Study



The Business

The IPD Group Limited is a well-respected and diverse organisation which can trace its beginnings back to the General Electric Company Ltd of England, founded in 1889. The company is now 100% Australian owned and operated.

The core business for IPD Group Ltd is the design and manufacturing of a large range of products. These products have made the company an industry leader in electrical equipment, industrial automation, lighting and cable accessories. All of the products designed by IPD Group Ltd are developed and tested by an in-house team of engineers.

The company has grown significantly over the years and now employs more than 100 staff and has offices in every major state throughout Australia.

The Challenge

Initially a need for electronic Document Management (DM) was identified. Due to the nature and size of the company a significant number of sales orders were being received each day. These sales orders were then printed, manually keyed into IPD Group Ltd's Pronto ERP system and then physically filed in bulky filing cabinets. There were often issues finding records after they had been filed. This often resulted in lengthy delays for customers.

IPD Group Ltd needed a solution that would eliminate the excessive costs and delays associated with processing, filing and retrieving records. In addition any new software would be required to integrate seamlessly with the existing IPD Group Ltd financial system. The business was using a combination of Pronto, MS CRM, IBM Cognos and Microsoft Exchange throughout the current processes.

The Solution

The goal for IPD Group Ltd was to streamline business processes, increase the accessibility of filed records and enable visibility across the business. These new paperless initiatives also aligned nicely with the company's commitment to environmental awareness.

document management system



After investigating several options Redmap was identified as the provider of choice for these solutions. It offered the business an end-to-end solution to manage the approvals process, coding and filing of their vendor invoices.

As well as this the easy to use document management system provided a simple solution to document storage concerns. *“Other benefits were that Redmap is easy to deal with, is based locally and we have access to senior management,”* says IPD Group Ltd’s Financial Controller Mohamed Yoosuff. Seamless integration with their key business finance system also meant that there was minimal change management for the employees.

Redmap’s smartFiling solution was originally implemented in the Customer Service department. This meant that incoming Sales Orders were captured as they were received. These incoming records were automatically OCR’d and indexed before being electronically filed.

Documents were now instantly accessible to staff from anywhere in the world via the web portal. Further, staff could also search for a document based on any word contained within it. This ensured that locating a specific document became a much simpler task for the Customer Service Representatives.

“The original expectations were met in approximately 3-6 months. We are currently using the software for a lot more than originally planned. Our Return on Investment so far has easily exceeded 100%,” continued Yoosuff.

Redmap Scalability

Following its success with the Customer Service department Redmap’s solution was implemented throughout the rest of the business. This included implementing smartPayables within the AP department. An automation solution catering to the needs of the AP department would benefit transparency and approvals workflows.

The first step for IPD Group Ltd in automating the vendor approvals process was to eliminate having to manually post invoices from each of the branches. These invoices are now scanned and emailed to a central email account. This has eliminated the cost of physically posting the documents as well as ensuring that documents can no longer be lost in transit. Invoices that are received via email are automatically captured by Redmap’s software and the data extracted.

Invoices are then verified by an AP clerk to ensure that the data has been extracted correctly and provide total accuracy. The system then determines which of the invoices have a PO associated with them as opposed to those that don’t. If an invoice has a PO and matches the PO exactly it is then held ready to be posted into the Pronto finance system. Those that don’t have a PO or don’t match their PO are routed to managers around the business for approval. This routing occurs automatically based on predefined rules. As these requests for approval are sent via email it means that managers can view and approve/query these invoices from anywhere in the world.

All approved invoices are then uploaded into the ERP system and posted for payment on the designated pay run date.

Mohamed summed it up by saying, *“The software was expected to resolve a particular problem of one particular department/function. It is now used everyday by everyone in the company.”*

“The software was expected to resolve a particular problem of one particular department/function. It is now used by everyone in the company. Redmap has transformed how IPD handles its documents and processes. Everyone loves it.”

Mohamed Yoosuff, Financial Controller | IPD Group

Results

The benefits that IPD Group Ltd have realised with their Redmap investment have been immediate and significant. Some of these benefits include:

- Staff now have comprehensive and immediate access to filed records from anywhere in the world;
- Reduction of operational costs such as office consumables have helped the business reduce unnecessary expenditure;
- Seamless integration with existing business systems has minimised the need for downtime as a result of the change management process; and
- Improved control and management of outgoing payments to suppliers has reduced cash control risks and enhanced the reporting and visibility throughout the process.